

(800) 473-6757



Call the
MOSTARS
Information
Center

to speak with trained
staff members about
any article published in
this newsletter
or to request free
information about
state and federal
student financial
assistance programs.

(573) 751-3940

December 1999



Missouri Student Assistance Resource Services

MOSTARS is a division of the Missouri Department of Higher Education



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Beth Ziehmer
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This portion of the **MOSTARS** newsletter will include questions and answers regarding various topics brought to our attention by MOSTARS clients.

If you happen to see one of your questions published, you should give yourself a pat on the back for asking a question that may benefit other clients.

In addition, if you think there is a need for a published clarification on a particular topic, please feel free to contact the **MOSTARS Information Center at (800) 473-6757 or (573) 751-3940** to discuss the topic. We may include the question in future issues of **MOSTARS**. ★

If a borrower has a subsidized Federal Stafford Loan and then receives another scholarship, creating a need to reduce the subsidized portion of the loan, can a loan increase be done to create an unsubsidized portion of the loan?

No. A new loan cannot be created with a reallocation transaction. The subsidized loan could be reduced or cancelled; however, the unsubsidized loan would have to be transmitted as a new loan.

If a borrower has a \$1,000 subsidized and a \$1,000 unsubsidized Federal Stafford Loan, and the unsubsidized loan needs to be reduced to zero and the subsidized loan increased to \$2,000, can that be done through a reallocation?

No. A loan cancellation must be done to cancel the unsubsidized loan, and a loan increase must be done to increase the subsidized loan.

If a subsidized Federal Stafford Loan needs to be increased, how will the increased amount be applied to the disbursements?

Loan increases will be applied to remaining disbursements first.

- ★ If the loan has not yet been disbursed, the increased amount would be spread over the scheduled disbursements evenly.
- ★ If the original certified loan amount was \$2,000, and the borrower is now certified for \$2,625 and the first disbursement of \$1,000 already has been made, the second disbursement would be increased from \$1,000 to \$1,625.
- ★ If the original loan has been fully disbursed, a new disbursement must be created to accommodate the increased amount.

Where can I find more information regarding subsidized/unsubsidized reallocations and loan increases?

The MSLP *Master Promissory Note Policies and Procedures Manual* has a "New Transactions" section. Also, MOSTARS Client Service Representative Pam King presented a session, entitled "Episode I — Voyage into Electronic Loan Processing Issues," at the MOSTARS fall workshops. The handouts for this session include the business requirements that were the basis of programming for reallocation and loan increases, as well as examples of these transactions.

You can contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940 to request an *MPN Manual* or a copy of Pam's fall workshop handouts.

How do I notify the Missouri Student Loan Program of a reallocation?

The MSLP has a Reallocation Change Form. The form was published in the *MPN Manual*. To request a copy of the form for duplication, contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940.

For Your Convenience

An information box indicating subject matter accompanies each article in this newsletter. This box also contains an identifiable icon, the name of the article's contact person (where applicable), his or her phone number and e-mail user ID. The formula for e-mail addresses at MOSTARS and the Missouri Department of Higher Education is as follows:

USER ID?cbhe400@admin.mocbhe.gov

Remember, you also can contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940 with any questions.



DOS/CLIPS Application-Processing Software to be Discontinued

The Missouri Student Loan Program reminds clients once again that the DOS/CLIPS application-processing software will not be supported after Dec. 31. CrossTalk®, the communications software that DOS/CLIPS employs, is not year-2000 compliant. Users transmitting information using DOS/CLIPS will find their dial-in access disabled after Dec. 31.

Thus, the MSLP is asking all current DOS/CLIPS users to migrate to the CLIPS for Windows or e*CLIPS

software products as soon as possible.

For more information or to schedule an installation, contact your MOSTARS client service representative or Keith Broadus, MOSTARS senior associate – technology, at (800) 473-6757 or (573) 526-0876. ★

ATOM News

Keith Broadus
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kbroadus



Governor's Conference Focuses on College Affordability

The rising cost of college continues to receive state and national attention as students, parents and policymakers voice their concerns. Missouri is taking action to continue its tradition of affordable postsecondary education.

Last year, in response to public concern about increasing college tuition and at the request of Gov. Mel Carnahan, the Coordinating Board for Higher Education established the Missouri Commission on the Affordability of Higher Education. After a yearlong study, the commission presented its final report and recommendations at the 1999

Governor's Conference on Higher Education, "Toward an Affordable Future", Dec. 9 in St. Louis.

During afternoon breakout sessions, higher education and state government leaders examined how to implement the commission's recommendations, grouped in five major areas: cost containment strategies, state budget policies, pricing, financial access and consumer information.

In addition, Carnahan addressed the participants and presented awards to 64 outstanding faculty from Missouri postsecondary schools, colleges and



News

Cheryl Kesel
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2000 Holiday Schedule

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MOSTARS and its servicer, GuaranTec, will be closed on the holidays listed below:

Missouri Department of Higher Education and MOSTARS:

Martin Luther King Day	Jan. 17
Lincoln's Birthday (observed)	Feb. 11
Washington's Birthday (observed) ..	Feb. 21
Truman Day (observed)	May 8
Memorial Day	May 29
Independence Day (observed)	July 4
Labor Day	Sept. 4
Columbus Day	Oct. 9
Veterans Day	Nov. 10
Thanksgiving	Nov. 23
Christmas	Dec. 25

GuaranTec

Martin Luther King Day	Jan. 17
Memorial Day	May 29
Independence Day	July 4
Labor Day	Sept. 4
Columbus Day	Oct. 9
Veterans Day	Nov. 10
Thanksgiving	Nov. 23-24
Christmas	Dec. 25

universities during the luncheon session. Other sessions featured the new Missouri Saving for Tuition (MO\$T) Program and the work of the Missouri K-16 Coalition.

MOSTARS, the MOSTARS Default Prevention Task Force, the MO\$T Program and several St. Louis area colleges and universities exhibited information booths during the conference.

The annual Governor's Conference on Higher Education brings together 400 Missouri higher education and state government leaders to address higher education issues. ★

MSLP's Top 20 Schools and Lenders

By Gross Volume

SCHOOLS

1. Saint Louis University
2. Southwest Missouri State University
3. Washington University
4. Southeast Missouri State University
5. Sanford Brown College
6. Cleveland Chiropractic College
7. Truman State University
8. Missouri Western State College
9. Drury College
10. Southwest Baptist University
11. Park College
12. Columbia College
13. Rockhurst University
14. Lincoln University
15. Central Methodist College
16. Forest Institute of Professional Psychology
17. Ranken Technical College
18. Avila College
19. Springfield College
20. Missouri College

LENDERS

1. Commerce Bank (St. Louis)
2. Bank of America, N.A.
3. Mercantile Bank (St. Joseph)
4. smartFUNDS
5. First Federal Bank
6. Bank of America
7. Great Southern Bank
8. St. Louis Community Credit Union
9. Union Planters National Bank
10. Chase Manhattan Bank
11. UMB Bank
12. Educaid
13. FNB Chicago/EFG
14. Bank of Kirksville
15. First Bank
16. Blue Ridge Bank and Trust
17. Mercantile Bank of Lawrence
18. Citibank
19. Educational Employees Credit Union
20. Bank Midwest, N.A.

FFELP Program



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MOSTARS Offers New Default Prevention Publication

MOSTARS' "Smart Habits for Student Retention and Default Prevention" brochure suggests that schools "distribute MOSTARS loan repayment information ... when delivering loan proceeds to borrowers" and "consider delivering a debt statement to students when delivering loan proceeds." MOSTARS will help schools accomplish this by providing a new publication — the "Think Before You Sign" card.



The following are some suggested uses for the card to remind students of the significance of student loan borrowing:

- ★ Mail it with award letters.
- ★ Mail it with promissory notes.
- ★ Display it in your office and other offices at your institution.
- ★ Insert it into student newspapers or mailings.

Also in the "Smart Habits" brochure, financial aid staff are asked to "provide student borrowers with a ... postcard that can be used at a later date to notify the institution or loan holder of a change in name or address." Thus, the task

force has developed "change of status" cards.

Each sheet contains four perforated cards that student borrowers can mail to lenders, schools and guarantors to notify them of enrollment, address and phone number changes. Schools, lenders, servicers and secondary markets can send them to borrowers or include them with other loan counseling and repayment information.

Call the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940 to order your free supply. ★



News

CariAnne Cutshall
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WELCOME ABOARD

e*CLIPS	Start Date
Avila College	Oct. 19
Calvary Bible College	Sept. 30
Central Bible College	July 6
Central Methodist College	Oct. 4
Crowder College	July 8
Evangel University	June 28
Forest Institute of Professional Psychology	June 24
Franklin Technical Center	Sept. 27
Hannibal-LaGrange College	Sept. 28
Jewish Hospital College of Nursing and Allied Health	Oct. 1
Mineral Area College	June 11
Missouri Western State College	Oct. 25
Moberly Area Community College	July 12
Ozark Christian College	June 4
Ozark Technical Community College	Oct. 19
Rockhurst University	Oct. 26
Sikeston Area Vo-Tech School	Oct. 4
Southeast Missouri State University	Nov. 3
Southwest Missouri State University	June 7
Springfield College	Oct. 21
Truman State University	Oct. 21
The University of Health Sciences	Oct. 19

**ATOM
News**



Keith Broadus
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MOSTARS applauds the new schools and lenders who became e*CLIPS, CLIPS or ATOM participants in 1999.

These lists are current as of Nov. 24, 1999.

CLIPS for Windows	Start Date
Al-Med Academy	July 6
Ranken Technical College	Oct. 28
State Fair Community College	July 22
Waynesville Technical Academy	July 21

ATOM Schools and Lenders	
Evangel University	Springfield
First Bank	St. Louis
Hannibal-LaGrange College	Hannibal
Lutheran Medical College School of Nursing	St. Louis
Mineral Area College	Park Hills
Missouri Valley College	Marshall
Stephens College	Columbia
Three Rivers Community College	Poplar Bluff
Vatterott College	St. Joseph
Waverly Bank	St. Louis



Loan Period Begin Date Changes

Previous Missouri Student Loan Program policy did not allow loan period begin dates to be changed. However, in order to accommodate common loan maintenance changes, the MSLP will allow loan period begin dates to be changed. The MSLP Reallocation Loan Change Form has been updated to reflect this policy revision.

If you have any questions or would like a revised copy of the Reallocation Change Form, contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940. ★

ATOM EFT Schools

as of
11/24/99

022392	Al-Med Academy	St. Louis, MO	Proprietary
031150	Arizona College of Allied Health	Phoenix, AZ	Proprietary
002449	Avila College	Kansas City, MO	Independent Four-Year
005532	Cape Girardeau Area Vocational Technical School	Cape Girardeau, MO	Vocational-Technical
002452	Central Bible College	Springfield, MO	Theological
002453	Central Methodist College	Fayette, MO	Independent Four-Year
002456	Columbia College	Columbia, MO	Independent Four-Year
002458	Cottey College	Nevada, MO	Independent Two-Year
020907-00	Cleveland Chiropractic College — Kansas City	Kansas City, MO	Professional
002459	Crowder College	Neosho, MO	Public Two-Year
006385	Deaconess College of Nursing	St. Louis, MO	Proprietary
002461	Drury College	Springfield, MO	Independent Four-Year
002463	Evangel University	Springfield, MO	Independent Four-Year
021642	Forest Institute of Professional Psychology	Springfield, MO	Professional
009089	Hannibal-LaGrange College	Hannibal, MO	Independent Four-Year
002468	Jefferson College	Hillsboro, MO	Public Two-Year
006389	Jewish Hospital College of Nursing and Allied Health	St. Louis, MO	Independent Four-Year
020682	Lester L. Cox College of Nursing and Health Sciences	Springfield, MO	Vocational-Technical
004703	Logan College of Chiropractic	St. Louis, MO	Professional
006666	Lutheran Medical College School of Nursing	St. Louis, MO	Proprietary
021802-00	Metro Business College	Cape Girardeau, MO	Proprietary
021802-01	Metro Business College	Jefferson City, MO	Proprietary
021802-02	Metro Business College	Rolla, MO	Proprietary
002486	Mineral Area College	Park Hills, MO	Public Two-Year
007540	Missouri Baptist College	St. Louis, MO	Independent Four-Year
009795	Missouri College	St. Louis, MO	Proprietary
023040	Missouri Technical School	St. Louis, MO	Proprietary
002489	Missouri Valley College	Marshall, MO	Independent Four-Year
002490	Missouri Western State College	St. Joseph, MO	Public Four-Year
002491	Moberly Area Community College	Moberly, MO	Public Two-Year
022027	Ozark Christian College	Joplin, MO	Theological
030830	Ozarks Technical Community College	Springfield, MO	Public Two-Year
012500	Ranken Technical College	St. Louis, MO	Independent Two-Year
002499	Rockhurst University	Kansas City, MO	Independent Four-Year
002506	Saint Louis University	St. Louis, MO	Independent Four-Year
005426	Sikeston Area Vo-Tech School	Sikeston, MO	Vocational-Technical
030709	Southeast Missouri Hospital College of Nursing	Cape Girardeau, MO	Vocational-Technical
002501	Southeast Missouri State University	Cape Girardeau, MO	Public Four-Year
002502	Southwest Baptist University	Bolivar, MO	Independent Four-Year
002503	Southwest Missouri State University	Springfield, MO	Public Four-Year
031060	Southwest Missouri State University — West Plains	West Plains, MO	Public Two-Year
010347	Stage One, The Hair School	Cape Girardeau, MO	Proprietary
025306	St. Charles County Community College	St. Peters, MO	Public Two-Year
002504	St. Louis College of Pharmacy	St. Louis, MO	Professional
002512	Stephens College	Columbia, MO	Independent Four-Year
002474	The University of Health Sciences	Kansas City, MO	Professional
004713	Three Rivers Community College	Poplar Bluff, MO	Public Two-Year
002495	Truman State University	Kirksville, MO	Public Four-Year
003528	Union University	Jackson, TN	Independent Four-Year
025997-04	Vatterott College	St. Joseph, MO	Proprietary
002523	Westminster College	Fulton, MO	Independent Four-Year
002525	William Woods University	Fulton, MO	Independent Four-Year

ATOM Statistics

FFY99 Quarter 4

Disbursements

33,398

Amount Disbursed

By EFT	\$48,852,873
By Check	\$10,332,495
TOTAL	\$59,185,368

Cumulative: August 1995 to September 1999

Disbursements

363,352

Amount Disbursed

By EFT	\$399,186,684
By Check	\$202,311,196
TOTAL	\$601,497,880

ATOM Lenders

as of
11/24/99

817854-50	Arsenal Credit Union	Webster Groves, MO	827418-50	Fulton Savings Bank	Fulton, MO
804866-50	Bank Midwest N.A.	Kansas City, MO	806858-50	Gateway National Bank of St. Louis	St. Louis, MO
800325-50	Bank of America (Arkansas)	Little Rock, AR	806861-50	Glasgow Savings Bank	Glasgow, MO
806746-50	Bank of America (Kansas City) ★	Kansas City, MO	821132-50	Great Southern Bank FSB	Springfield, MO
818334-50	Bank of America (St. Louis)	St. Louis, MO	804657-50	Guaranty Bank and Trust	Kansas City, MO
806747-50	Bank of Belton	Belton, MO	823260-50	The Hamilton Bank	Hamilton, MO
806757-50	Bank of Kirksville	Kirksville, MO	823635-50	Hannibal National Bank	Hannibal, MO
806761-50	Bank of Monticello	Canton, MO	830134-50	Heartland Community Credit Union	Kansas City, MO
813955-50	Bank of New Madrid	New Madrid, MO	823261-50	Home Savings and Loan Association	Norborne, MO
829370-50	Bank of Old Monroe	Moscow Hills, MO	829263-50	Jefferson Bank and Trust	St. Louis, MO
813989-50	Bank of Rothville	Rothville, MO	830289-50	Kahoka State Bank	Kahoka, MO
829217-50	Bank of Salem	Salem, MO	819462-50	Kearney Trust Company	Kearney, MO
813965-50	Bank of Sullivan	Sullivan, MO	806873-50	Lamar Bank and Trust Co.	Lamar, MO
827468-50	Bank of Washington	Washington, MO	829440-50	Linn State Bank	Linn, MO
826147-50	Bank of Waverly	Waverly, MO	814008-50	Maries County Bank	Vienna, MO
808857-50	Bank One Education Finance Group	Columbus, OH	819661-50	Mazuma Credit Union	Kansas City, MO
806856-50	Bank Star One	Fulton, MO	814668-50	MCM Savings Bank, FSB	Hannibal, MO
820696-50	Belgrade State Bank	Belgrade, MO	814548-50	Mercantile Bank of St. Joseph	St. Joseph, MO
816050-50	Blue Ridge Bank and Trust Company	Kansas City, MO	804609-50	Mercantile Bank – Lawrence	Lawrence, KS
806778-50	Cabool State Bank	Cabool, MO	832681-50	Midwest Independent Bank	Jefferson City, MO
806779-50	The Callaway Bank	Fulton, MO	829740-50	MO National Guard Credit Union	Jefferson City, MO
821496-50	Canton State Bank	Canton, MO	806893-50	New Era Bank	Fredericktown, MO
828826-50	Central Bank of Lebanon	Lebanon, MO	824068-50	Palmyra Savings	Palmyra, MO
828130-50	Central West End Bank	St. Louis, MO	813967-50	Palmyra State Bank	Palmyra, MO
807807-50	Chase Manhattan Bank USA	Tampa, FL	830060-50	Paris National Bank	Paris, MO
813975-50	Citizen's Bank and Trust Company	Trenton, MO	827477-50	Peoples Security Bank	Licking, MO
813979-50	Commerce Bank ★	St. Louis, MO	821154-50	Phelps County Bank	Rolla, MO
814627-50	Commercial Trust	Fayette, MO	829481-50	Poplar Bluff Federal Credit Union	Poplar Bluff, MO
806810-50	Community State Bank of Bowling Green	Bowling Green, MO	806919-50	Security Bank of Pemiscot County	Caruthersville, MO
828768-50	Eagle Bank and Trust	Festus, MO	806870-50	Show Me Credit Union	Mexico, MO
830005-50	Educaid	Sacramento, CA	806773-50	smartFUNDS	Columbia, MO
826986-50	Educational Employees Credit Union	Bridgeton, MO	806911-50	South Side National Bank of St. Louis	St. Louis, MO
826986-51	Educational Employees Credit Union [PLUS]	Bridgeton, MO	828674-50	Southern Missouri Savings Bank	Poplar Bluff, MO
819155-50	Farmers and Merchants Bank	Hannibal, MO	824138-50	St. John's Bank and Trust	Bridgeton, MO
822046-50	First Bank	St. Louis, MO	813766-50	State Bank of Slater	Slater, MO
829140-50	First Community Bank of Windsor	Windsor, MO	809081-50	Stillwater National Bank and Trust	Stillwater, OK
820370-50	First Federal Bank, FSB ★	Kansas City, MO	827310-50	Sun Bank of America	Ellington, MO
826931-50	First Midwest Bank	Poplar Bluff, MO	815961-50	UMB Bank, NA	Kansas City, MO
802969-50	First National Bank and Trust Company	Carbondale, IL	810698-50	Union Planters National Bank	Cape Girardeau, MO
819564-50	First National Bank of Camdenton	Camdenton, MO	826147-50	Waverly Bank	St. Louis, MO
813768-50	First National Bank of Salem	Salem, MO	832384-50	Wells Fargo Education Financial Services	Waverly, MO
806851-50	First Security State Bank	Charleston, MO	820323-50	West Community Credit Union	Brentwood, MO
833471-50	FNB Chicago (trustee for EFG, LLP)	Hyannis, MA			

ATOM
News



Keith Broadus
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★ These lenders require ATOM schools to utilize EFT rather than paper checks.

Special Allowance Change to Commercial Paper Index

Recently, the U.S. Congress passed a change to lenders' payment of special allowance from the current Treasury bill rate to the three-month commercial paper index. The bill is expected to be signed by President Bill Clinton in mid-December. The change is effective for any three-month period beginning on or after Jan. 1 for which the first disbursement is made.

The change from a T-bill index to a commercial paper index does not affect the interest rate charged to borrowers. The potential problem for lenders is that the T-bill index and market-based rates do not move in tandem. The federal government can borrow funds at a T-bill rate lower than other market-based indexes.

If you have questions about special allowance, contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940. ★

MOSTARS Outreach and Early Awareness Activities

One of the most exciting concepts that came out of the 1998 Amendments to the Higher Education Act was a more intense focus on outreach and early awareness through the Gaining Early Awareness and Readiness for Undergraduate Programs. GEAR UP is designed to enable more young Americans to stay in school, study hard and take the right courses to go to college.

GEAR UP consists of two complementary efforts: state grants and partnership grants, which are composed of colleges, school districts and at least two other entities, such as businesses, professional organizations, community-based organizations or state agencies. This first year, three University of Missouri (Columbia, Kansas City and St. Louis) GEAR UP partnership grants were awarded.

Gov. Mel Carnahan designated the Missouri Department of Higher Education as the state entity that would apply to the U.S. Department of Education for the state GEAR UP grant funding. The state GEAR UP grant application was not funded; however, the Missouri Coordinating Board for Higher Education remains committed to providing outreach and early awareness information to underrepresented students and their parents.

Studies have shown that students from low-income families and their parents need and want to know much more about how to plan for postsecondary education. Local schools, community-based organizations, businesses and institutions of higher education need to work together to help students and their parents gain this knowledge as well as to strengthen academic programs and student services in the schools so that students are prepared academically and financially to enter and succeed in education after high school.

MOSTARS has embarked on a strategic plan to increase attendance and learning success at the postsecondary level, particularly among underrepresented and under-served student populations. The plan also includes initiatives and programs to reduce the state's student loan default rate and students' level of dependence on credit card debt. To achieve the goals and objectives of the plan, MOSTARS will work with many organizations and groups, including the Missouri Department of Elementary and Secondary Education, ACT Inc., Missouri colleges and

universities, middle and secondary school districts, TRIO programs and the Heartland's Alliance for Minority Participation.

The plan also includes the following outreach and early awareness activities in which MOSTARS is currently participating:

1. Working with the three GEAR UP partnerships grants that were funded this first year.
2. Distributing student loan default prevention information to state agencies and employers statewide.
3. Meeting with TRIO programs, Missouri's one-stop shops and targeted middle and high schools to see what outreach and early awareness activities already are in place and how MOSTARS can be of assistance.
4. Working in partnership with the Missouri Association of Student Financial Aid Personnel's Early Awareness Team, which held a "Make High School Count" workshop for local families in Rolla in October and is planning a similar workshop in Cape Girardeau in March.
5. Developing an agreed-upon plan and coordinated schedule with other organizations and agencies to deliver materials and information to high schools, students in preparing for training and education beyond high school.
6. Developing another state GEAR UP grant proposal for submission to the U.S. Department of Education during fiscal year 2000.

If you have questions about MOSTARS outreach and early awareness activities, contact Richard Presberry, senior associate – outreach, at (573) 522-1316, or e-mail him at rpresber?cbhe400@admin.mocbhe.gov, or Paula Dawan, outreach and early awareness representative, at (573) 526-4420, or e-mail her at pdawan?cbhe400@admin.mocbhe.gov. ★



News
Richard Presberry
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MOSTARS State Student Financial Assistance Program Appropriations

State Student Aid Program News



Dan Peterson
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Following is a comparison of state student financial assistance program appropriations requested by the Missouri Coordinating Board for Higher Education for the 2000–01 academic year and the actual appropriations for 1999–2000. The actual appropriations for next year will be known in May 2000, after the 2000 legislative session is completed.

	1999–2000 Actual Appropriation	2000–01 CBHE Request
Grant and Scholarship Administration	\$480,890	\$506,055
“Bright Flight” Scholarship Program	\$15,637,000	\$16,137,000
Charles Gallagher Student Financial Assistance Program		
General Revenue	\$15,328,436	\$15,941,436
Federal – LEAP	\$1,000,000 *	\$1,000,000 **
Grant Program Gift Fund (MOHELA)	\$50,000	\$50,000
Bridge Scholarship Program	\$2,200,000	\$0
Marguerite Ross–Barnett Memorial Scholarship Program	\$500,000	\$1,000,000
Advantage Missouri Program	\$2,930,969	\$5,275,744
Missouri College Guarantee Program	\$4,000,000	\$10,710,000
Public Service Officer/Employer Survivor Grant Program	\$45,000	\$45,000
Vietnam Veterans Scholarship Program	\$15,000	\$15,000
Federal Paul Douglas Teacher Scholarship Program (estimated)	1E	\$0
Higher Education Scholarship Program (estimated)	1E	1E
Total General Revenue	\$41,137,297	\$49,630,236
Total Other	\$1,050,000	\$1,050,000
GRAND TOTAL	\$42,187,297	\$50,680,236

* Actual LEAP funds received were \$504,761

** Anticipated LEAP funds to be received is unknown at this time.

Changes to the Eligible Lender List

Clients who use the Missouri Student Loan Program Combined Eligible Lender List should make note of the following changes. New lists are printed upon request, so your list already may have these changes. Refer to the effective date of the changes, and compare them to the date listed at the bottom left-hand corner of your list to determine whether or not you should pencil in these changes.

Changes

Educaid, A First Union Company, OE 830005-00

New FICE code: 830005-50

New FICE name: Educaid, A First Union Company (ATOM loans)

Changes made Oct. 27

First National Bank - Chicago/EFG, OE 833471-00

New FICE code: 833471-50

New FICE name: First National Bank – Chicago/EFG (ATOM loans)

Changes made Oct. 28

Participation Lists



CariAnne Cutshall
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If you would like to order a Missouri Student Loan Program Combined Eligible Lender List, call the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940.

Refer to the August 1998 FFELPfacts for more information. You also can view a sample of the list in the October 1998 issue of MOSTARS.

We anticipate adding a version of this list to MOSTARS' web site for immediate client access. Look for additional changes and for a notice of web site availability in future issues of the MOSTARS newsletter. ★

Unreported Loans Report Prepared

On Nov. 22, the Missouri Student Loan Program prepared a fourth Unreported Loans Report that was distributed to lenders in early December. The report includes loans that have never been reported through the National Student Loan Data System lender manifest process as well as loans for which no information has been reported since June 1999. Similar reports were prepared and sent to lenders in November 1997, June 1998 and January 1999.

Of the 111,612 loans included on the Nov. 22 report, 83,623 loans have never been reported, and 27,989 loans have had no information reported since June. The total number of unreported loans increased by 18.5 percent from the previous report prepared in January, and represents the largest number of unreported loans ever discovered by the MSLP.

Improper NSLDS reporting has serious implications for all Federal Family Education Loan Program participants. For example, NSLDS information is included on students' Student Aid Reports and Institutional Student Information Records. Schools' cohort

default rates also are currently calculated based upon NSLDS data. In addition, the U.S. Department of Education uses NSLDS data to calculate various fees paid to guaranty agencies for the purpose of funding their operations. For this reason, beginning Jan. 1, the MSLP will be required by the U.S. Department of Education to evaluate NSLDS data supplied by lenders when conducting lender reviews. Lenders who may not be identified under the existing review selection criteria may be selected for review depending upon their number of unreported loans.

The MSLP realizes the number of participating lenders has decreased in recent years, making it difficult for current lenders to locate the status of old loans originated by affiliate banks. However, lenders must take every reasonable action to locate these loans. If a lender cannot obtain information on old loans by contacting its secondary markets, such as MOHELA or Sallie Mae, the lender must decide whether to report the loans as cancelled or as paid in full on the lender manifest. Once the status of a loan has been reported on the lender

manifest, the MSLP will update its database and NSLDS. If the MSLP is later approached regarding the status of a loan reported as cancelled or paid in full, the account will be reviewed for possible reinstatement.

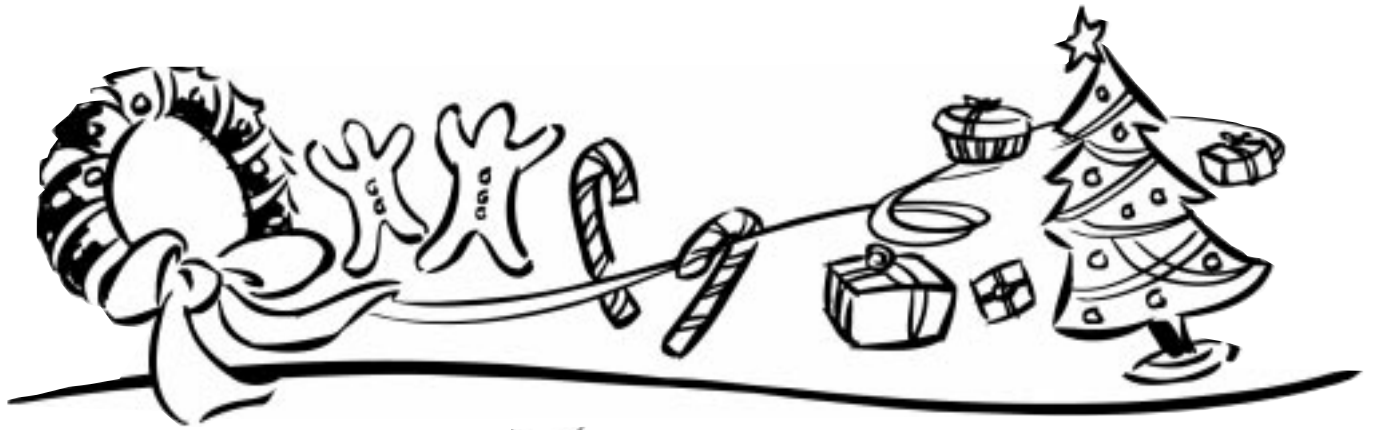
During their review of the unreported loan reports, lenders can indicate the correct information next to the appropriate borrower record, if the loan was paid in full, and the effective date. The lender also should complete the lender manifest form with the appropriate information and submit both documents to the MSLP to facilitate the NSLDS reporting process. Missy Markis and Kendra Robinson of Guarantec, the MSLP's servicer, will assist lenders in the reporting process.

If you have questions about the MSLP Unreported Loans Report, contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940. You also can contact Missy Markis at Guarantec at (800) 667-7906 ext. 7480 or Kendra Robinson at ext. 7440. ★

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Happy Holidays

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